## Doub BAILLIE

Enclosed is a balanced scorecard for 2000. Below is the evaluation of results:

**EXHIBIT** 

•	t I		
Financial:	Profitability :	Loss Ratio Ex-CAT Not met	Loss Ratio was at 88% for the region. A \$24,000,000 swing in EP and an \$11,000,000 in PL were the predominant factors. CIS had encouraging results coming in at \$9,000,000 of less loss than 1999 even with approximately \$15,000,000 of Ohio UM. Aggressive non-renewal business in 2000 with large rate increases shows optimism for 2001 (ex UM)
DFI MY CIGAL NY		Expense Ratio - MA	Region came in at 30.5 despite growing by 9% and reducing the controllable expense from 99. I give up on this one.
		Controllable Expense - ES	Region came in at 2% under plan
	Growth	Commercial Growth - MA	Commercial growth came in at 6%.
	7	Personal Lines Growth - MA	Personal Lines Growth came in at 14% on a goal of 14.7%
		International - EX	Growth at 13%
		Product Mix - ES/CE	Product Mix was aggressively managed down to 46%
	Pricing Management	Pricing Goals - ES/CE	Rate change was at 10.9 on a goal of 8.6%. Cincinnati region CIS rate increases were in the top of the country.
External Process:	Customer Management	Commercial Retention - MA	Commercial Retention was at 75% on a plan of 75%.
		Account Management - ES	Indianapolis' and Cincinnati's plans and execution are very good. Cleveland is satisfactory.
	Producer Management	Marketing Audit Results - MA	Audit result was at 79%. High marks in account management, agency management, travel and branch communication. Branches upgraded marketing systems significantly since audit.
			000304

	Т	T	
		New Appointments - ES	All branches exceeded their goals for new appointments. Cincinnati appointed 9 agents exceeding their goal.
		MVI Implementation - MA	Came close to meeting the \$8,000,000 goal. This was despite the fact that agents in Ohio were reluctant to place any business with auto premium due to Ohio UM.
•	Market Management	Agency Plans - ES	Agency management and plans received high marks in Cincinnati and Indianapolis in audit. Cleveland probably needs some work but is coming on quickly. No audit conducted in Cleveland.
Internal Process	Underwriting Quality	Audit Findings/WTO Feedback - MM	Although no audits were conducted in 2000 in the region, the feeling is that work needs to be done. Looking forward to July's audit of CCI throughout the region.
		Regulatory Compliance - ES	With excellent staff of CSRs and CSD management the feeling is that we're in excellent shape. Excellent work has been done in complying with Warren's requirements with Ohio UM.
	Service Performance	New/Renewal Issuance - MM/MA/ES?	While underneath goal, the Ohio Valley was better than the zone average in both new lines and renewals and improved by ten points. New lines service was hampered by difficulty in issuing Ohio UM.
		Endorsement Issuance - 86% MM/MA	Once again endorsements were over the zone average and experienced a ten point improvement.
		Premium Collections - ES	Region was at 58 days.
			000305

	·		
		Loss Control Results/impact - MA	Communication with underwriting significantly improved. Quality of staff, reports and deliverables improved. Still significant work to achieve in increased deliverable of service to loss control accounts.
		Claims Results/impact - ES	Claims involvement in the marketing effort and in Claims administration is top shelf. Claims involved in all areas of account acquisition, retention and management
People Management:	Management of Resources	Retention of ES performers - CE	No ES performers were lost in the Ohio Valley Region. The turnover for the region was at 5.8%
		Minority Retention - ES	Minority retention was at 89% which appears to be a 3-4% improvement over 1999. Difficult to calculate 1999, will check with zone.
		Minority Hiring - ES/CE	42% of trainees were minorities. In addition, 1 experienced hire hired.
	Building Leaders	Execution of L&D agenda - ES	L&D agenda clearly executed with average of 50+ hours training per employee (see attached)
		Dev. plans for direct reports - ES/CE	100% by 5/1.
		Mentoring/Coaching Staff - personally mentor 5 high potential employees - ES/CE	Development of key employees are going extremely well.
	Modeling Behavior	Employee Survey Results/personal 360° Feedback - ES	Cincinnati results were extremely high compared to the zone. Cleveland was approximately at zone average and Indianapolis needs work. Overall average of the region was higher than zone average. Individual 360° feedback indicates that branch rates me at 8.4 on a scale of 10 (see attached)
		Diverse teams, opening learning/work	Active diversity committee working in branch (see attached)
		environment - ES/CE	000306

40 hours of learning - ES/CE	Branch average well in access of 45 hours of training (Will suppy by review).
Employees have written development plans - MA	100% of all employees have written development plans. However, at a fall audit development plans were at 79%.
Establish community involvement - ES/CE	Branch has been extremely active in community activities with branch manager serving as officer on local non-profit board (see attached)